

**STATEMENT OF
JOE FRANK, PAST NATIONAL COMMANDER
THE AMERICAN LEGION
BEFORE THE
CAPITAL ASSET REALIGNMENT FOR ENHANCED SERVICES
(CARES) COMMISSION
ON
THE NATIONAL CARES PLAN**

AUGUST 20, 2003

Mr. Chairman and Members of the Commission:

Thank you for the opportunity to express the local views of The American Legion on the Department of Veterans Affairs' (VA)'s Capital Asset Realignment for Enhanced Services (CARES) initiative as it concerns Veterans Integrated Services Network (VISN) 15. As a veteran and stakeholder, I am honored to be here today.

The CARES Process

The VA health care system was designed and built at a time when inpatient care was the primary focus and long inpatient stays were common. New methods of medical treatment and the shifting of the veteran population geographically meant that VA's medical system was not providing care as efficiently as possible, and medical services were not always easily accessible for many veterans. About 10 years ago, VA began to shift from the traditional hospital based system to a more outpatient based system of care. With that shift occurring over the years, VA's infrastructure utilization and maintenance was not keeping pace. Subsequently, a 1999 Government Accounting Office (GAO) report found that VA spent approximately \$1 million a day on underused or vacant space. GAO recommended, and VA agreed, that these funds could be better spent on improving the delivery of services and treating more veterans in more locations.

In response to the GAO report, VA developed a process to address changes in both the population of veterans and their medical needs and decide the best way to meet those needs. CARES was initiated in October 2000. The pilot program was completed in VISN 12 in June 2001 with the remaining 20 VISN assessments being accomplished in Phase II.

The timeline for Phase II has always been compressed, not allowing sufficient time for the VISNs and the National CARES Planning Office (NCPO) to develop, analyze and recommend sound Market Plan options and planning initiatives on the scale required by the magnitude of the CARES initiative. Initially, the expectation was to have the VISNs submit completed market plans and initiatives by November, 2002, leaving only five months to conduct a comprehensive assessment of all remaining VISNs and develop recommendations. In reality, the Market Plans were submitted in April 2003. Even with the adjustment in the timeline by four months, the Undersecretary for Health found it necessary in June 2003, to send back the plans of several VISNs in order for them to reassess and develop alternate strategies to further consolidate and compress health care services.

The CARES process was designed to take a comprehensive look at veterans' health care needs and services. However, because of problems with the model in projecting long-term care and mental health care needs into the future, specifically 2012 and 2022, these very important health care services were omitted from the CARES planning. The American Legion has been assured that these services will be addressed in the next "phase" of CARES. However, that does not negate the fact that a comprehensive look cannot possibly be accomplished when you are missing two very important pieces of the process.

The American Legion is aware of the fact that the CARES process will not just end, rather, it is expected to continue into the future with periodic checks and balances to ensure plans are evaluated as needed and changes are incorporated to maintain balance and fairness throughout the health care system. Once the final recommendations have been approved, the implementation and integration of those recommendations will occur.

Some of the issues that warrant The American Legion's concern and those that we plan to follow closely include:

- ▶ Prioritization of the hundreds of construction projects proposed in the Market Plans. Currently, no plan has been developed to accomplish this very important task.
- ▶ Adequate funding for the implementation of the CARES recommendations.
- ▶ Follow-up on progress to fairly evaluate demand for services in 2012 and 2022 regarding long-term care, mental health, and domiciliary care.

VISN 15 - EASTERN MARKET

The Eastern Market of VISN 15 has the largest veteran population of the three markets in VISN 15. There are three VA medical centers located in this market at St. Louis, Missouri, Poplar Bluff, Missouri and Marion, Illinois. A good portion of the market area is designated as medically underserved and economically depressed. Some of the counties are targeted for federal economic and medical service development.

The CARES process identified a significant increase in this market in Primary Care and Specialty Care both in 2012 and 2022. To improve access to care and address the increase in demand of services, the VISN Market Plan proposed the opening of five new CBOCs. However, none of the CBOCs were included in the Draft National Plan (DNP). The DNP addresses these increases with proposals of construction projects and new leased space. There will be some allocation of existing space at the medical centers for expanded primary care use, but facility capacity is insufficient to address the majority of the forecasted demand. Currently, there is significant space shortfall at many of the care sites.

Poplar Bluff is to remain open and retain its acute care beds. It is currently operating as a Critical Access Hospital (CAH) and will continue to do so. VA has not developed its own set of criterion for what a functioning CAH is, so Poplar Bluff is operating, in part, under the Centers for Medicare and Medicaid Services (CMS) criterion. In order to be designated as a CAH under CMS it must meet the following guidelines:

- Must be located more than 35 miles from the nearest hospital;
- Must be deemed by the state to be a "necessary provider;"
- Must have no more than 15 acute beds (with up to 25 beds total)
- Cannot have length of stays (LOS) greater than 96 hours (except respite/hospice);
- Must be part of a network of hospitals;
- May use physician extenders (Nurse Practitioners or Physician's Assistants or registered Nurse Midwives) with physicians available on call.

The American Legion is pleased to support Poplar Bluff and the retention of acute beds at that facility. However, because CAHs are new to VA and the CARES process, we will be vigilant in monitoring the publishing of VA criterion regarding its own designation of CAHs.

As always, we remain concerned about the funding of CARES. Historically, VA has been inadequately funded. There have been no assurances that this will change. Where will VISN 15 be in the priority list for construction? When it comes time to allocate money, how does VA plan to prioritize the long list of construction projects?

The American Legion is concerned that the DNP does not adequately address the medical service shortfalls the Eastern Market is projected to experience in the next 10 and 20 years. There really is no "plan", just vague, blanket proposals regarding the increase in demand for care.

The American Legion believes the implementation of the CARES initiatives should be as seamless as possible to the veteran population. Disruption to the veteran and his/her medical services should be held to a minimum. In VISN 15 CARES will impact over 190,000 veterans.

Thank you for the invitation to speak today on such important issues.

Missouri Veterans Commission Testimony
Poplar Bluff, Missouri
CARES Commission Hearing
August 20, 2003

(Ronald Taylor)

The Missouri Veterans Commission welcomes the opportunity to participate in the DVA CARES process. The Commission has for many years enjoyed a close working partnership with VISN 15. This has involved a contract by which DVA has provided prescription drugs to residents of the seven commission operated Veterans' Home as well as the construction of six Community Based Outpatient Clinics by the Commission which are operated by DVA. The Commission believes such partnerships work to enhance the service provided to Missouri's veterans. The maintenance of these efforts is a vitally important part of services provided to Missouri's veterans.

Looking to the future it is clear that the demand for access to the Department of Veterans Affairs Healthcare system will increase over the next two decades. While, barring unforeseen circumstances, the total veteran population of the state will decline from over 560,000 to approximately 450,000. The growth in demand will be driven in part by the aging of the veteran population. The percentage of veterans in the age groups most in need of extensive healthcare will continue to rise. In addition, the growing cost of prescription medication will lead many to seek access to the VA Healthcare system. This growing cost obviously necessitates effective utilization of available resources.

In recent years Missouri's veterans have clearly benefited greatly for the expansion of the Community Based Outpatient Clinics. It has allowed many elderly veterans for whom

travel is a major difficulty to access primary care closer to their homes. In some cases it has also helped alleviate the pressure on VA hospitals in terms of waiting times to see physicians. The Poplar Bluff VAMC plays a critical role in providing healthcare service to the veterans of SE Missouri. It has been very proactive for more than a decade in bringing services to veterans in their community. While recognizing the need for this, especially as the aging WWII and Korean War Era veterans find it more difficult to travel to the hospital, it is also important to recognize that maintaining the Poplar Bluff Hospital resources is necessary. It is also difficult for many of the veterans to travel to St. Louis or elsewhere for specialist care. Consideration of these issues should not be forgotten.

In summary the Missouri Veterans Commission believes it is essential that VA develop additional resources to meet the demands of the next two decades. There is an obligation to ensure that these who have served their country receive the healthcare and medical services they need without undue delay or difficulty.



**MISSOURI STATE COUNCIL
VIETNAM VETERANS OF AMERICA**



STATEMENT FOR THE RECORD

Of

**Vietnam Veterans of America
Missouri State Council**

Submitted by

**Alan Gibson
State Council President**

Before the

CARES Commission

Regarding

Draft National CARES Plans

Presented at Black River Coliseum

Popular Bluff, MO - VISN 15

August 20, 2003

Good morning, my name is Alan Gibson; I am Missouri State Council President for Vietnam Veterans of America (VVA). Thank you Chairman Alvarez and your colleagues for the opportunity to testify today at the Black River Coliseum, regarding the Draft National CARES Plan for the delivery of health care to veterans, who utilize VISN 15 in Popular Bluff, Missouri, and other facilities in the Eastern portion of VISN 15 for care and treatment.

The original concept for assessing the real-estate holdings and plans for the disposition of “excess” properties of the Department of Veterans Affairs makes sense. No one wants to see money being wasted, money that could be better spent on rendering real health care to veterans. There is no question that the VA has many buildings at various facilities that are expendable.

Vietnam Veterans of America (VVA) Missouri State Council believe that this process has strayed from its original intent, and we have grave misgivings about the proposed market plan before you for VISN 15, in particular the Department of Veterans Affairs hospitals in St. Louis (Cochran and Jefferson Barracks) are on temporary certification pending correction of problems (patient care, cleanliness, long wait in waiting rooms for appointment, cancellation of appointments, indifference of staff toward veterans and maintenance) to name a few. We believe this is an example of Veterans getting a second chance to give their life for their country.

In order for VISN 15 to provide care and treatment for all veterans, we must have adequate resources for Veterans suffering from PTSD/Substance Abuse and for the care and treatment of Spinal Cord Injuries. Both were omitted from the Draft National CARES Plan.

In conclusion, we feel that decisions made within the context of the proposed Draft National CARES Plan will effectively close beds, cut staffing, compromise services, and damage the VA's ability to respond to emerging needs of veterans. We believe that this effort, no matter how well intended, will in many instances prove to be counterproductive and ultimately costly to rectify. It goes without saying that many of our Brother and Sister Veterans, not stakeholders feel that the real label should be NOBODY-CARES due to consistent NON-VISioN.

Mr. Chairman, thank you for the opportunity to address the commission on behalf of Vietnam Veterans of America (VVA) Missouri State Council. I will be more than happy to answer any question that the commission may have.

**STATEMENT OF
LEONARD K. HARRIS
NSO SUPERVISOR
OF THE
DISABLED AMERICAN VETERANS
BEFORE THE
CAPITAL ASSETS REALIGNMENT FOR ENHANCED SERVICES COMMISSION
POPLAR BLUFF, MO
AUGUST 20, 2003**

Mr. Chairman and Members of the Commission:

On behalf of the local members of the Disabled American Veterans (DAV) and its Auxiliary, we are pleased to express our views on the proposed Capital Assets Realignment for Enhanced Services (CARES) Market Plans for this area in VISN 15.

Since its founding more than 80 years ago, the DAV has been dedicated to a single purpose: building better lives for America's disabled veterans and their families. Preservation of the integrity of the Department of Veterans Affairs (VA) health care system is of the utmost importance to the DAV and our members.

One of VA's primary missions is the provision of health care to our nation's sick and disabled veterans. VA's Veterans Health Administration (VHA) is the nation's largest direct provider of health care services with 4,800 significant buildings. The quality of VA care is equivalent to, or better than, care in any private or public health care system. VA provides specialized health care services — blind rehabilitation, spinal cord injury care, posttraumatic stress disorder treatment, and prosthetic services — that are unmatched in the private sector. Moreover, VHA has been cited as the nation's leader in tracking and minimizing medical errors.

As part of the CARES process, VA facilities are being evaluated to ensure VA delivers more care to more veterans in places where veterans need it most. DAV is looking to CARES to provide a framework for the VA health care system that can meet the needs of sick and disabled veterans now and into the future. On a national level, DAV firmly believes that realignment of capital assets is critical to the long-term health and viability of the entire VA system. We do not believe that restructuring is inherently detrimental to the VA health care system. However, we have been carefully monitoring the process and are dedicated to ensuring the needs of special disability groups are addressed and remain a priority throughout the CARES process. As CARES has moved forward, we have continually emphasized that all specialized disability programs and services for spinal cord injury, mental health, prosthetics and blind rehabilitation should be maintained at current levels as required by law. Additionally, we will remain vigilant and press the VA to focus on the most important element in the process, enhancement of services and timely delivery of high quality health care to our nation's sick and disabled veterans.

Furthermore, local DAV members are aware of the proposed CARES Market Plans and what the proposed changes would mean for the community and surrounding area. We address our concerns specifically of the Eastern Market within VISN 15, in which we believe falls short

in the current market to provide adequate primary care for those veterans it currently serves. The proposed market strategy for the Eastern Market of VISN 15 discusses both in-house facility options and contract services that is not readily available, nor the sharing of opportunities with affiliates with the Department of Defense (DOD) in this geographical location. We believe the necessary changes to relocate existing space for the primary care at the current facilities would be better served to provide those services to the majority of the expected growth of veterans in the Eastern Market.

Current primary care necessitates long travel periods to economically challenged veterans with limited resources for remote access to those current VA facilities. Transportation issues are very complicated by the geographical barriers to these locations from the most southern Illinois and Missouri counties. Poplar Bluff VA Medical Center only provides limited primary care to both areas with all specialty care being sent to John Cochran St. Louis VA medical facilities, this currently becomes a high cost within the community services and transportation provided to obtain all specialty care for those veterans. With the estimated forecast of veterans needing care doubling in population as estimated for out-patient specialty care by the workload of 2012 and a 66 percent increase of the same care estimated for 2022, we believe the expansion of both specialty services via combination of in-house, fee/contract in the community, because of the availability and distance factors limits the referral to other VA medical facilities within VISN 15. The financial resources required for these contracts would be cost effective for the VA to meet the proposed demands and the local communities health care facilities could offer an option of specialty service to veterans needing immediate assistance. We believe a request for capital investment would be required to expand the overall access for an increase in the contract service arrangements through local community health care.

We believe that the financial resources have to be focused to provide the needed specialty care for the future growth demands within the Eastern Market of VISN 15. Current volume forecasted of demands in the future will overwhelm current capacity levels needed to provide these services, especially at the Marion and Poplar Bluff medical centers.

In closing, the local DAV members of VISN 15 sincerely appreciate the CARES Commission for holding this hearing and for its interest in our concerns. We deeply value the advocacy of this Commission on behalf of America's service-connected disabled veterans and their families. Thank you for the opportunity to present our views on these important proposals.